



J. TYLER McCAULEY  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-2766  
PHONE: (213) 974-8301 FAX: (213) 626-5427

November 18, 2003

TO: Supervisor Yvonne Brathwaite Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley   
Auditor-Controller

SUBJECT: **SANTA ANITA FAMILY SERVICES CONTRACT REVIEW**

We have completed a contract compliance review of Santa Anita Family Services (Santa Anita), an Integrated Care Management Program (ICM) service provider. The review was conducted as part of the Auditor-Controller's Centralized Contract Monitoring Pilot Project and is the first review completed.

**Background**

The Department of Community and Senior Services (DCSS) contracts with Santa Anita Family Services, a private, non-profit, community-based organization, to provide services to seniors age 60 or older, their spouses (regardless of age), and the disabled residing in San Gabriel, Monrovia, Baldwin Park, Azusa, and San Dimas. The types of services provided by Santa Anita include interviewing program participants and assessing their cognitive, social, emotional, and medical needs and developing a care plan. In addition, Santa Anita staff will contact the appropriate service providers to arrange for the services identified in the participants' care plans and meet with the participants on a monthly basis to ensure that the participants' needs are being met. Santa Anita's office is located in the Fifth Supervisorial District.

DCSS pays Santa Anita a negotiated hourly rate up to a maximum rate established by DCSS. The negotiated hourly rate is based on the program costs and service hours that Santa Anita estimated in their proposal. Santa Anita Family Services is paid \$22 per hour for Intake Screening and \$40 per hour for all other services provided. For Fiscal Year 2002-03, DCSS paid Santa Anita approximately \$320,000.

### **Purpose/Methodology**

The purpose of the review was to determine whether Santa Anita was providing the services outlined in their Program Statement and County contract. We also evaluated Santa Anita's ability to achieve planned levels of service and staffing. Our monitoring visit included a review of Santa Anita Family Services' Annual Service Level Assessment report, billing statements, participant case files, personnel and payroll records, and interviews with Santa Anita staff and program participants.

### **Results of Review**

We noted Santa Anita uses qualified staff to perform the services, as required by their contract. The program participants interviewed stated that the services they receive from Santa Anita meet their expectations and their assigned social worker visits them at least once a month, as required. In addition, our review of a sample of case files disclosed the program participants qualified for program services.

For Fiscal Year 2002-03, Santa Anita reported that they achieved their targeted services levels. However, our review of Santa Anita's invoices disclosed that supporting documentation often does not exist for services billed to DCSS. In addition, the invoices do not always correctly reflect Santa Anita's provision of services. Specifically, we sampled 193 service hours from 1,388 service hours that Santa Anita billed DCSS from July through August 2003 and noted the following:

- Seventy-five (40%) of the 193 service hours billed were not supported with documentation. In each instance, the client case files did not contain the required forms (e.g., Needs Assessment, Intake, etc.) to document Santa Anita's provision of service. The undocumented amount billed totaled \$3,000 out of a total of \$7,720 for the hours reviewed.

We also attempted to confirm, with a selected number of program participants, the specific services they received from Santa Anita during July and August 2003. However, the program participants were unable to remember or describe the specific services they received from Santa Anita.

- Twenty-nine (15%) of the 193 service hours billed were incorrectly reported to DCSS. For example, Santa Anita billed DCSS for four hours for conducting a Service Authorization for one program participant. However, our review of the documentation contained in the case file disclosed that activities conducted by the social worker should have been billed as Case Monitoring.

According to Santa Anita, staff are not always knowledgeable of the appropriate category (e.g., Intake, Case Monitoring, etc.) to report billable services or for administratively updating program participant case files. The hours of service incorrectly reported totaled \$1,160.

The service hours that were incorrectly reported did not result in Santa Anita over-billing or under-billing DCSS. However, in some instances, incorrectly reporting billed services can result in Santa Anita over-billing or under-billing DCSS. For example, if staff incorrectly reports hours spent processing an individual's intake application as Case Monitoring, Santa Anita will over-bill DCSS \$18 for each hour reported because intake processing is billed at a different rate (\$22 per hour) than the rate billed for Case Monitoring and all other services (\$40 per hour). In addition, inaccurate reporting of service hours impacts the accuracy of the statistics needed to evaluate the program and its menu of services.

In addition, the average case load (44) for Santa Anita's three Care Manager's exceeds the maximum allowed by the County contract (40).

We have recommended that Santa Anita maintain documentation to support all services billed to DCSS and ensure staff identify the appropriate category to report billed service hours. In addition, Santa Anita should more closely monitor the case loads of the Care Managers to ensure actual number of cases assigned to each Care Manager does not continually exceed the maximum number established by the contract. The details of our contract compliance review, along with recommendations for corrective action, are attached.

### **Review of Report**

On November 13, 2003, we discussed our report with Santa Anita who generally agreed with the findings. In their attached response, Santa Anita indicated they will submit a corrective plan, including the timeframes to implement the recommendations, to DCSS within 30 days, as required by their contract. In addition, we notified DCSS of the results of our review. DCSS will work with Santa Anita and monitor them to ensure that areas of non-compliance disclosed in this report are resolved and will report to your Board within 60 days of this report.

We thank Santa Anita for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1122.

JTM:PM:DC

Attachment

c: David E. Janssen, Chief Administrative Officer  
Department of Community and Senior Services  
Robert Ryans, Director  
Denise Traboulsi, Acting Program Manager

Jack Kennedy, Director, Santa Anita Family Services  
Violet Varona-Lukens, Executive Officer  
Public Information Office  
Audit Committee

**CENTRALIZED CONTRACT MONITORING PILOT PROJECT  
INTEGRATED CARE MANAGEMENT (ICM) PROGRAM  
FISCAL YEAR 2003-2004  
SANTA ANITA FAMILY SERVICES**

**BILLED SERVICES**

**Objective**

Determine whether Santa Anita provided the services billed in accordance with their contract.

**Verification**

We selected a sample of 193 hours of service from a total of 1,388 hours that Santa Anita billed DCSS in July and August 2003 and reviewed the case files for documentation to support the services billed. In addition, we interviewed a sample of program participants to confirm that the services were provided.

**Results**

Our review of the sampled hours billed disclosed the following:

- Seventy-five (40%) of the 193 service hours billed were not supported with documentation. In each instance, the client case files did not contain the required forms (e.g., Needs Assessment, Intake, etc.) to document Santa Anita's provision of service. The undocumented amount billed totaled \$3,000 out of a total of \$7,720 for the hours reviewed.

We also attempted to confirm with five program participants, the specific services they received from Santa Anita during July and August 2003. However, the program participants were unable to remember or describe the specific services they received from Santa Anita.

- Twenty-nine (15%) of the 193 service hours billed were incorrectly reported to DCSS. For example, Santa Anita billed DCSS for four hours for conducting a Service Authorization for one program participant. However, our review of the documentation contained in the case file disclosed that activities conducted by the social worker should have been billed as Case Monitoring.

According to Santa Anita, staff are not always knowledgeable of the appropriate category (e.g., Intake, Case Monitoring, etc.) to report billable services or for administratively updating program participant case files. The hours of service incorrectly reported totaled \$1,160.

The service hours that were incorrectly reported did not result in Santa Anita over-billing or under-billing DCSS. However, in some instances, incorrectly reporting billed services can result in Santa Anita over-billing or under-billing DCSS. For example, if staff incorrectly report hours spent processing an individual's intake application as Case Monitoring, Santa Anita will over-bill DCSS \$18 for each hour reported because intake processing is billed at a different rate (\$22 per hour) than the rate billed for Case Monitoring and all other services (\$40 per hour). In addition, inaccurate reporting of service hours impacts the accuracy of the statistics needed to evaluate the program and its menu of services.

### **Recommendations**

#### **Santa Anita management:**

- 1. Maintain documentation to support each hour billed to DCSS.**
- 2. Ensure staff identify the appropriate category to report services and for administratively updating program participant case files.**

### **CLIENT VERIFICATION**

#### **Objective**

Determine whether the program participants are eligible for program services and actually received the services that Santa Anita billed DCSS.

#### **Verification**

We judgmentally selected a sample of five program participants to interview to confirm the services Santa Anita billed to DCSS. We also reviewed their case files for documentation to support their eligibility.

#### **Results**

The program participants interviewed stated that the services they receive from Santa Anita meet their expectations and their assigned social worker visits them at least once a month, as required. In addition, our review of their case files disclosed the program participants qualified for program services.

We attempted to confirm, with the five program participants, the specific services they received from Santa Anita during July and August 2003. However, the participants were unable to remember or describe the specific services they received.

**Recommendation**

There are no recommendations for this section.

**STAFFING/CASELOAD LEVELS****Objective**

Determine whether Santa Anita's Care Managers have a case load of 40 or less, as required by the County contract.

**Verification**

We interviewed Santa Anita's three Care Managers and Program Director and reviewed case files and billing invoices for July and August 2003.

**Results**

Santa Anita's uses three Care Managers to provide program services. Each of the three Care Managers interviewed stated they work full-time on DCSS' contract and their current case load is 40 program participants. Our review of the billing invoices for July and August disclosed Santa Anita reported 132 active cases which resulted in each Care Manager assigned an average of 44 program participants.

Santa Anita needs to more closely monitor the Care Managers' case loads to ensure actual number of cases assigned to each Care Manager does not continually exceed the maximum number established by the contract.

**Recommendation**

3. **Santa Anita management more closely monitor the Care Managers' case loads to ensure actual number of cases assigned to each Care Manager does not continually exceed the maximum number established by the contract.**

**STAFFING QUALIFICATIONS****Objective**

Determine whether Santa Anita's staff meets the qualifications required by DCSS' contract.

**Verification**

We interviewed Santa Anita's 15 staff who worked on DCSS' contract. In addition, we reviewed each staff's personnel file for documentation to confirm their qualifications.

**Results**

Our interviews with Santa Anita's staff and review of their personnel files disclosed that the staff assigned to DCSS' contract possess the required educational (college degrees) and work experience identified in DCSS' contract.

**Recommendation**

**There are no recommendations for this section.**

**SERVICE LEVELS****Objectives**

Determine whether Santa Anita's reported services for Fiscal Year (FY) 2002-03 significantly varied from planned services levels.

**Verification**

We reviewed DCSS' Annual Service Level Assessment report for FY 2002-03 and Santa Anita's proposed services levels for the same period.

**Results**

Our review of Santa Anita's reported service levels disclosed Santa Anita achieved their planned service levels. For FY 2002-03, Santa Anita's planned service level for providing all services was 8,976 hours. Actual service levels reported by Santa Anita for the fiscal year amounted to 9,044 hours. However, as previously noted, Santa Anita often did not have documentation to support the reported services.

**Recommendation**

**There are no recommendations for this section.**





## SANTA ANITA FAMILY SERVICE

*Community Service Since 1951*  
605 South Myrtle Avenue  
Monrovia, California 91016  
(626) 359-9358  
Fax (626) 358-7647

November 13, 2003

J. Tyler McCauley  
Los Angeles County Auditor-Controller  
500 W. Temple, Room 525  
Los Angeles, CA 90012

Re: Contract Review Response

Dear Mr. McCauley:

We have reviewed the report issued by your Department and are in general agreement with the findings and recommendations. We will be submitting a corrective action plan to the Department of Community and Senior Services within 30 days that details our efforts to implement the recommendations contained in the report.

Please call me if you have any questions at (626) 359-9358 ext. 37.

Sincerely,

Jennifer Foote, Psy.D.  
Director of Senior Services  
Santa Anita Family Service

### COUNSELING PROGRAMS

605 S. Myrtle Ave  
Monrovia, CA 91016  
(626) 359-9358  
Fax (626) 358-7647

716 N. Citrus Ave  
Covina, CA 91723  
(626) 966-1755  
Fax (626) 859-0999

603 S. Myrtle Ave  
Monrovia, CA 91016  
(626) 358-1185  
Fax (626) 303-5043

### SENIOR PROGRAMS

324 S. Mission Dr.  
San Gabriel, CA 91776  
(626) 308-2822

740 N. Dalton Ave  
Azusa, CA 91702  
(626) 812-5204  
Fax (626) 969-5611



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